



# Ignitis Group Supplier Code of Ethics

The Code has been approved and may be amended by the Management Board of the parent company – AB “Ignitis grupė”.

The Code has been approved on 29 June 2021 and is effective from this date.

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# 1. Purpose and Scope of Application of the Supplier Code of Ethics

1.1. The companies belonging to AB "Ignitis grupė" (hereinafter – the Group) in all their activities focus on the commitment to create an energy-smart world and a more sustainable future. In order to achieve these objectives and ensure public welfare, we are constantly improving our activities, setting ourselves higher requirements than those set out in the regulatory environment alone, including sustainability requirements.

1.2. We apply high legal, ethical, environmental and social standards in our operations, strive for compliance with high business standards in the Group's supply chain. Therefore, we expect the application of similar standards from our suppliers (hereinafter – the Supplier). By our example, we wish to encourage the Supplier and the business partners involved in its supply chains (hereinafter – the Subcontractor) to contribute to the promotion of sustainability in our activities in order to create a more sustainable future by working together and supporting each other. We also invite the Supplier and its Subcontractor to actively participate in the

events, trainings and other activities organised by the Group related to the application of sustainability requirements.

1.3. The environmental, social and business ethics principles and standards on which the Group is based and the expectations that the Group expects from its employees in their daily work are set out in the:

- Ignitis Group Code of Ethics;
- Sustainability Policy;
- Environmental Protection Policy;
- Equal Opportunities and Diversity Policy;
- Zero Tolerance for Accidents at Work Policy;
- Public Procurement Policy;
- Commercial and Regulated Procurement Policy;
- Market Abuse Prevention Policy;
- Anti-Corruption Policy.

1.4. The Group Supplier Code of Ethics reflects the Group's commitment to strengthening sustainable cooperation with the Supplier by promoting legal, professional and fair business practices that incorporate environmental, social responsibility and business ethics objectives. This Group Supplier Code of Ethics sets out the minimum standards of business conduct that we expect all of our Suppliers to adhere to and, where possible, exceed. We also hope that the Supplier will encourage its Subcontractor to comply with the following requirements.



## 2. Environmental Protection

- 2.1. The Supplier shall operate in compliance with all mandatory environmental requirements defined in the applicable legislation.
- 2.2. The Supplier shall aim to reduce the negative impact on the environment and ensure continuous improvement of environmental performance. We encourage the Supplier to apply the requirements of the environmental management system in accordance with the standard LST EN ISO 14001 or the European Union Eco-Management and Audit Scheme (EMAS) or other equivalent environmental management systems based on European Union or international standards, or to have an effective environmental policy or programme to help manage environmental problems and reduce negative environmental impacts.
- 2.3. In order for the supplied goods, services or works (hereinafter – the Products) to have environmentally friendly properties at all stages of their life cycle, the Supplier shall strive to ensure that the Products it supplies comply with the requirements of the Type I eco-label (according to LST EN ISO 14024), which are confirmed by the Type I eco-label or other equivalent proof.
- 2.4. We hereby encourage the Supplier to assess the impact of its activities on climate change and take action to reduce it.
- 2.5. The Supplier shall actively seek to conserve natural resources and contribute to the goals of promoting the circular economy of the European Union in the cycle of development, production and supply of goods, as well as in the provision of services or works.
- 2.6. The Supplier shall seek to integrate energy efficiency, environmental friendliness and recycling aspects into Product design, including product packaging management issues.
- 2.7. The Supplier shall seek to develop and distribute environmentally friendly technologies, to use environmentally friendly Products or materials in its activities.
- 2.8. The Supplier shall aim to reduce the amount of waste generated by the activity, to ensure its safe and responsible management, reuse and recycling.
- 2.9. The Supplier shall use less or no hazardous chemicals in the production of goods, services or works, shall not pose a risk to human health and actively seek not to harm the environment.
- 2.10. The Supplier shall seek to use less electricity and/or use renewable energy sources to produce, supply and/or use the goods, as well as provide the services or the perform the works.
- 2.11. The Supplier shall develop the competence of its employees and a responsible approach to environmental protection.
- 2.12. Where possible, the Supplier shall participate in initiatives that promote environmental protection and preventive programmes that ensure environmental protection.



## 3. Social Responsibility

### Human Rights

- 3.1. In carrying out its activities, the Supplier shall respect and protect human rights and freedoms, and shall promote and uphold democratic values in accordance with the human rights principles set out in the [Universal Declaration of Human Rights](#) and the [United Nations Global Compact](#).
- 3.2. The Supplier shall promote the diversity of its employees and shall not tolerate any form of discrimination, including, but not limited to, discrimination based on age, sex, race, nationality, citizenship, ethnicity, language, origin, social status, religion, belief, views or opinion, age, sexual orientation, disability, health status, marital status, membership of a political party or association and/or other legally protected characteristics.
- 3.3. The Supplier shall not tolerate any form of harassment, violence, humiliation or bullying.
- 3.4. The Supplier shall always respect the right to privacy of its employees, customers and other stakeholders when collecting personal data or implementing employee tracking tools.
- 3.5. The Supplier shall respect the freedom of expression of employees and shall not take repressive action against persons exercising that freedom.
- 3.6. The Supplier shall protect employees who report or witness incidents and their representatives from hostile behaviour, retaliation and other negative consequences.



## Working Conditions

- 3.7. The Supplier shall pay its employees fair and competitive salaries in accordance with national law.
- 3.8. The Supplier shall ensure that the maximum number of working hours that the employee can work during a certain period is not exceeded. Overtime shall be reimbursed by the Supplier in the form of surcharges in accordance with the rates laid down in national legislation or collective agreements.
- 3.9. The Supplier shall recognise the right of its employees to freely form trade unions or similar employee representation organisations, the right to join or not to join them, and to negotiate a collective agreement.
- 3.10. The Supplier shall not, directly or indirectly, to the best of its knowledge, employ children or take advantage of the employment of children under the age of employment as defined in [International Labour Organization Minimum Age Convention No. 138](#) concerning minimum age for admission to employment and applicable law.
- 3.11. The Supplier shall prohibit corporal punishment and forced labour in its activities, as provided for in [Protocol 29 of the International Labour Organisation Convention](#), including modern-day slavery and trafficking in human beings as well as the work of prisoners, forced labour for debts and other forms of forced labour.





## Employees Safety and Health

- 3.12. The Supplier shall ensure safe working conditions for its employees, in accordance with their health and dignity, and in compliance with the requirements of applicable legislation.
- 3.13. The Supplier shall prepare instructions for the safety and health of workers, taking into account the specifics and hazards of the work performed by its employees, introduce the employees to them and ensure compliance with these instructions.
- 3.14. The Supplier shall provide the necessary training for its employees and provide them with appropriate safety and health equipment and work tools.
- 3.15. The Supplier shall seek to put in place measures to allow any employee to report unsafe working conditions and hazardous situations. The Supplier shall investigate these notifications, eliminate the identified violations and provide preventive measures.



## 4. Business Ethics and Governance

- 4.1. The Supplier shall not tolerate swindling, bribery, trading in influence, money laundering, abuse of office and/or other forms of corruption. We hope that the Supplier shall have a clear anti-corruption policy.
- 4.2. The Supplier shall not participate in any form of illegal agreements or other mechanisms that restrict fair competition, shall not enter into any form of cartel with competitors, for example, market or customer sharing or assignment, or price agreements.
- 4.3. Through its activities, the Supplier shall seek to reduce its dependence on Product manufacturers and suppliers who do not meet the criteria of European and transatlantic integration – which are not established or registered in the Member States of the European Union, the North Atlantic Treaty Organisation, the European Economic Area and/or the Organisation for Economic Co-operation and Development.
- 4.4. The Supplier shall maintain a transparent, cohesive and collaborative business relationship that complies with the provisions of the [Ignitis Group Code of Ethics](#) and of the [Anti-corruption Policy](#).





## 5. Monitoring, Responsibility and Informing on Compliance With the Supplier Code of Ethics

- 5.1. The Supplier shall develop and maintain adequate and effective management systems to ensure the implementation of the provisions of this Supplier Code of Ethics and shall provide evidence and all necessary explanations upon request. Such systems must be proportionate to the size, complexity and risk environment of the business.
- 5.2. The Supplier shall use only such Sub-contractor or third parties the activities of which comply with the mandatory legal requirements. We hereby encourage the Supplier to strive for its Subcontractor to comply with the minimum standards set forth in this Supplier Code of Ethics.
- 5.3. The Supplier shall actively monitor the compliance of its day-to-day management processes with this Supplier Code of Ethics and provide the necessary information at the request of the Group.
- 5.4. The Group may conduct assessments and reviews and request information from the Supplier or initiate visits to the Supplier's premises and/or sites to ensure compliance with the requirements of this Supplier Code of Ethics. The Supplier shall provide the representatives of the Group with access to the information necessary to verify compliance with the requirements of this Supplier Code of Ethics and to physically enter the relevant premises and/or sites.



- 5.5. The Supplier shall actively take measures to eliminate any non-compliances identified or observed by itself or the Group with the requirements of this Supplier Code of Ethics and shall seek to rectify them immediately, within a reasonable term.
- 5.6. If the Supplier encounters difficulties in correcting non-compliance with the Supplier Code of Ethics, we hereby encourage the Supplier to contact the Group's representatives and at the same time look for possible solutions in order to eliminate them (the Supplier may also contact the Group by e-mail at [pasitikejimolinija@ignitis.lt](mailto:pasitikejimolinija@ignitis.lt)).
- 5.7. An honest notification of possible non-conformities shall not affect the Supplier's relationship with the Group if the Supplier takes action to eliminate this non-conformity and then eliminates it.
- 5.8. The Group shall reserve the right to assess such consequences of the Supplier's conduct within the scope of the contract(s) performed by the Supplier if the Supplier provides incorrect information, avoids the correction of identified discrepancies or if it becomes apparent that the violations or discrepancies cannot be corrected. This may influence decisions on further cooperation.
- 5.9. The Supplier Code of Ethics shall be published on the website [www.ignitisgrupe.lt](http://www.ignitisgrupe.lt).







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